

Message Text

PAGE 01 STATE 040749
ORIGIN H-02

INFO OCT-01 ISO-00 /003 R

66011
DRAFTED BY S/S-O:SGOLDSMITH
APPROVED BY S/S-O:SGOLDSMITH
-----035118 160456Z /13
P 160134Z FEB 78
FM SECSTATE WASHDC
TO USSOUTHCOM QUARRY HEIGHTS CZ PRIORITY

C O N F I D E N T I A L STATE 040749

USSOUTHCOM FOR MAJ VALDERA

FOL RPT BRASILIA 0309 SENT ACTION CARACAS INFO SECSTATE,
RIO DE JANEIRO & SAO PAULO DTD 13 JAN 78

QUOTE: C O N F I D E N T I A L BRASILIA 0309

E. O. 11652: GDS
TAGS: OREP
SUBJ: CODEL BAKER-MEETING WITH BRAZILIAN FOREIGN MINISTER
PANAMA CANAL TREATIES; US-BRAZIL RELATIONS

1. FOLLOWING IS REPORT OF CODEL BAKER'S MEETING WITH FOREIGN
MINISTER SILVEIRA IN BRASILIA ON JANUARY 11.#IT HAS NOT BEEN
CLEARED WITH SENATOR BAKER.

2. PARTICIPANTS:
BRAZIL:
FOREIGN MINISTER ANTONIO F. AZEREDO DA SILVEIRA
AMBASSADOR JOAO HERMES PEREIRA DE ARUAJO, CHIEF, DIVISION OF
THE AMERICAS, MINISTRY OF EXTERNAL RELATIONS
AMBASSADOR GERALDO DE HOLANDA CAVALCANTI, SPECIAL ADVISOR FOR
POLITICAL AND ECONOMIC AFFAIRS IN THE BILATERAL AREA, MINISTRY
CONFIDENTIAL

PAGE 02 STATE 040749

OF EXTERNAL RELATIONS
COUNSELOR RONALDO MOTA SARDENBERG (SLATED SHORTLY TO REPLACE
AMBASSADOR CAVALCANTI)
COUNSELOR JOSE NOGUEIRA FILHO, SPECIAL ADVISER TO THE MINISTER.

U.S.
SENATOR HOWARD E. BAKER JR.
SENATOR EDWIN JACOB GARN
HOWARD S. LIEBENGOD, LEG COUNSEL TO REPUBLICAN LEADER
CRAN MONTGOMERY, LEG. ASSISTANT TO SENATOR BAKER

CURTIS CUTTER, STATE DEPT. ESCORT OFFICER
CHARGE D'AFFAIRS A.I. RICHARD E. JOHNSON
POLITICAL COUNSELOR ALFONSO ARENALES
DATE: JANUARY 11, 1978 PLACE: FOREIGN MINISTER'S
1040-1125 A.M. OFFICE, BRASILIA

3. SENATOR BAKER EXPRESSED CODEL'S APPRECIATION FOR THE LONG AND VARIED CONVERSATION JUST HELD WITH PRESIDENT GEISEL. SILVEIRA SAID THAT HE WAS ENTIRELY AT CODEL'S DISPOSAL AND THAT HE WAS PREPARED TO BE AS FRANK AS HE WAS SURE THE PRESIDENT HAD BEEN WITH CODEL. HE ADDED THAT WE SHOULD ALL BE FRANK AND TALK ABOUT EVERYTHING OF INTEREST TO US.

4. SENATOR BAKER EXPLAINED THAT HE HAD TOLD THE PRESIDENT THAT THE PRINCIPAL REASONS FOR HIS TRIP WERE TWO FOLD: FIRST, TO VISIT PANAMA AND TO SPEAK FRANKLY WITH PRESIDENT TORRIJOS, WHOM HE HAD TOLD THAT THE CANAL TREATIES WOULD NOT BE RATIFIED BY THE SENATE WITHOUT AMMENDMENT (SILVEIRA INTERJECTED THAT THIS HAD BEEN HIS IMPRESSION WHEN HE WAS IN THE US FOR THE UNGA LAST YEAR)M SENATOR BAKER SAID THAT HE FELD OPTIMISTIC ABOUT THE POSSIBILITY OF AMENDMENTS TO THE TREATIES. HE WENT ON TO EXPLAIN THAT THE SECOND REASON FOR HIS TRIP WAS TO SOUND OUT LATIN AMERICAN COUNTRIES ON THE QUESTION OF RATIFICATION AND ON CONFIDENTIAL

PAGE 03 STATE 040749

WHAT THEIR REACTION WOULD BE IF THE TREATIES WERE NOT RATIFIED. HE SAID THAT THE US PRESS SOMETIMES IMPLIES THAT COUNTRIES LIKE MEXICO AND BRAZIL WERE LESS THAN ENTHUSIASTIC ABOUT THE TREATIES AND THAT HE WAS LOOKING FOR INFORMATION TO PUT IN HIS REPORT UNDER THE HEADING "WHAT DO OUR NEIGHBORS THINK?". THE SENATOR SAID THAT HIS IMPRESSION WAS THAT THE TREATIES HAD BEEN GREATLY DESIRED BY LATIN AMERICAN COUNTRIES (SILVEIRA INTERJECTED THAT THIS WAS TRUE). SENATOR BAKER SAID THAT IT WAS ALSO HIS VIEW THAT WHILE THE TREATIES WERE A MATTER OF GENERAL CONCERN, SOME COUNTRIES SUCH AS MEXICO AND BRAZIL FELT THAT THE US AND PANAMA SHOULD WORK THINGS OUT FOR THEMSELVES AND WOULD NOT OBJECT TO CHANGES IN THE TREATIES THAT MIGHT BE WORKED OUT BETWEEN THE TWO PARTIES TO THEM.

5. SILVEIRA, STATING, "I AM GIVING YOU A GENERAL COMMENT, PLEASE DON'T QUOTE ME," SAID THAT HE BELIEVED THAT THE CANAL PROBLEM HAD BEEN OVER-EMPHASIZED IN THE US, AND THAT IN HIS OPINION THE USG HAD ALWAYS IMPLIED THAT ALL OF ITS PROBLEMS WITH LATIN AMERICA WOULD BE SOLVED AS SOON AS THERE WAS A SOLUTION TO ITS PROBLEMS WITH PANAMA AND CUBA. THE PANAMA PROBLEM WAS IMPORTANT, AND IT IS TRUE THAT A SOLUTION WAS GREATLY DESIRED BY LATIN AMERICANS, BUT IS WAS NOT ESSENTIAL TO US-LATIN AMERICAN RELATIONS, SILVEIRA SAID. HE CLAIMED THAT IT IS WRONG TO BELIEVED THAT, BECAUSE PANAMA AND CUBA POSE SPECIFIC PROBLEMS FOR THE US: HE ASKED RHETORICALLY HOW SOLUTIONS TO SPECIFIC PROBLEMS COULD BE EXPECTED TO SOLVE ALL OF THE ISSUES IN THE BROAD GENERAL RELATIONS BETWEEN THE US AND THE COUNTRIES OF LATIN AMERICA.OO

6. SENA

TOR BAKER SAID THAT WHAT SILVEIRA HAD JUST SAID WAS SO IMPORTANT THAT HE WOULD LIKE TO BE ABLE TO QUOTE HIM ON IT. SILVEIRA REPLIED THAT THE SENATOR COULD USE WHAT HE HAD SAID, BUT ASKED NOT BE QUOTED BECAUSE HE COULD NOT SPEAK FOR ALL OF LATIN AMERICA. SILVEIRA WENT ON TO SAY THAT THE PANAMA PROBLEM WAS LARGELY A THEORETICAL ONE FOR BRAZIL, THAT IT WAS THUS MORE IMPORTANT IN PRINCIPLE THAN IN FACT, BUT THAT ON CONFIDENTIAL

PAGE 04 STATE 040749

PRINCIPLE IT WAS IMPORTANT THAT IT BE SOLVED. HE NOTED THAT THE PACIFIC COAST COUNTRIES OF SOUTH AMERICA DEPEND MUCH MORE ON THE CANAL AND ARE MUCH MORE CONCERNED ABOUT ITS FUTURE THAN IS BRAZIL.

7. SENATOR GARN SAID AT THIS POINT, WITH REGARD TO THE QUESTION OF OVEREMPHASIS, THAT TORRIJOS WOULD BE IN TROUBLE IN PANAMA IF THE TREATIES WERE NOT RATIFIED. HE NOTED THAT PANAMA HAS SERIOUS ECONOMIC AND SOCIAL PROBLEMS AND THAT THE PANAMANIAN PEOPLE HAVE BEEN LED TO BELIEVE THAT THE TREATIES WILL SOLVE THEM ALL. THIS IS NOT TRUE, OF COURSE, HE ADDED.

8. SILVEIRA SAID THAT BRAZIL WAS NOT COMPETENT TO JUDGE THE TREATIES, BUT THAT THEIR REJECTION BY THE SENATE WOULD BE A SHOCK BECAUSE OF THE HIGH EXPECTATIONS THAT THE US HAD ITSELF CREATED. HE OPINED THAT RATHER THAN PERMIT THE TREATIES TO BE REJECTED, THE ADMINISTRATION SHOULD POSTPONE SENATE CONSIDERATION OF THEM IF IT WAS NOT SURE THAT IT HAD THE VOTES. HE ADDED HE HAD TOLD SECRETARY VANCE THIS DURING THE SECRETARY'S VISIT TO BRASILIA LAST NOVEMBER. SENATOR BAKER SAID THAT HE THOUGHT THAT THE SITUATION WAS PAST THE POINT OF POSTPONEMENT. SILVEIRA SAID THAT IF THAT WAS THE CASE, THEN, OF COURSE, WE SHOULD GO THROUGH WITH IT. HE SAID THAT BRAZIL COULD NOT PLACE ITSELF IN THE POSITION OF THE US. HE ADDED, HOWEVER, THAT HE THOUGHT THAT TORRIJOS WAS A GOOD INTERLOCUTOR AND HE BELIEVED THAT NO ONE ELSE IN PANAMA WOULD BE AS RELATIVELY OBJECTIVE AND AS MODERATE IN HIS POLEMICS AS TORRIJOS HAS BEEN.

9. SENATOR BAKER NOTED THAT TWO OR THREE PROVISIONS OF THE TREATIES AFFECT OTHER COUNTRIES, CITING AS EXAMPLES COLOMBIA'S DESIRE THAT ITS RIGHT OF FREE TRANSIT BE PROTECTED, MEXICO'S CONCERN ABOUT THE PROSCRIPTION AGAINST BUILDING ANOTHER CONFIDENTIAL

PAGE 05 STATE 040749

SEA LEVEL CANAL. HE ASKED IF BRAZIL HAD ANY PROBLEM OF THIS NATURE WITH THE TREATIES. SILVEIRA SAID NO, ADDING THAT HE HAD STUDIED THE TREATIES AND REITERATING HIS BELIEF THAT THEIR REJECTION WOULD BE A SHOCK, BUT SAID THAT BRAZIL

WOULD NOT INTERFERE IN THE MATTER AND THAT IT HOPED THAT THE TWO COUNTRIES WOULD ARRIVE AT A SATISFACTORY RESOLUTION OF THE PROBLEM. HE NOTED THAT OTHERS ARE WORRIED ABOUT THE WAY THE CANAL WILL BE OPERATED IN THE FUTURE. SENATOR BAKER ACKNOWLEDGED THIS CONCERN BUT NOTED THAT THE PROBLEM WAS 22 YEARS AWAY BECAUSE PANAMA WOULD NOT BEGIN OPERATING THE CANAL UNTIL THE YEAR 2000. SILVEIRA AGREED BUT THEN OBSERVED THAT BRAZIL HAS WHAT HE CALLED "A VERY TRADITIONAL DIPLOMACY", NOT IN THE SENSE THAT IT IS BETTER THAN ANYBODY ELSE'S, BUT IN THAT IT HAS RESULTED FROM SHARING A FINITE GEOGRAPHIC SPACE COMPRESSED BY TWO OCEANS WITH TEN NEIGHBORS, AMONG WHOM BRAZIL LOOMS VERY LARGE AND HAS CONSIDERABLE SPECIFIC WEIGHT. HE SAID THAT ONE HALF OF BRAZIL'S DIPLOMATIC WORK IS WITH SOUTH AMERICA AND THAT THIS EXPERIENCE WOULD NEVER PERMIT BRAZIL TO LEAVE AS LARGE A LOOPHOLE IN ANY TREATY AS THE 22 YEARS SPECIFIED IN THE CANAL TREATIES. SILVEIRA AVERRED THAT THIS WAS NOT A SOLUTION BUT A POSTPONEMENT OF THE PROBLEM, THAT 22 YEARS HENCE PERSPECTIVES WILL BE VERY DIFFERENT. HE REITERATED THAT BRAZIL WOULD NEVER SIGN ANYTHING LIKE THAT. SENATOR BAKER OBSERVED THAT PERHAPS THE UNITED STATES SHOULD NOT HAVE SIGNED ANYTHING EITHER AND THAT IT SHOULD NOT HAVE PROJECTED 22 YEARS AHEAD.

10. THE SENATOR THEN OBSERVED THAT THE US HAD PROPOSED THE FIRST CANAL TREATY, THAT IT HAD THEN REVISED IT, AND THAT IT WAS NOT PROPOSING TWO NEW TREATIES. HE ASKED SILVEIRA WHAT HE THOUGHT PANAMIAN ATTITUDES MIGHT BE FIVE YEARS FROM NOW IF THERE WERE STILL ANOTHER GO AROUND; COULD THE US GET LATIN AMERICAN SUPPORT ON INSISTING THAT PANAMA ABIDE BY THE PRESENT TREATIES UNTIL THE YEAR 2000? SILVEIRA SAID THAT HE DID NOT THINK THAT LATIN AMERICA IS READY FOR THAT. HE NOTED THAT THE ISSUE IS VERY EMOTIONAL AND CLAIMED AGAIN THAT THE US
CONFIDENTIAL

PAGE 06 STATE 040749

HAD MADE IT SO. SENATOR BAKER ASKED IF THE TREATIES WERE RATIFIED AND TORRIJOS' SUCCESSOR WANTED TO RENEGOTIATE THEM, WOULD LATIN AMERICANS INSIST ON THEIR BEING OBSERVED? SILVEIRA SAID THAT BRAZIL BELIEVED THAT EVERYONE SHOULD ABIDE BY TREATIES IF THE PARTIES CONTINUED TO AGREE; TURNING THE QUESTION AROUND, HE SAID THAT IF THE US SAID IT COULD NOT AGREE TO SOMETHING CONCERNING THE TREATIES, BRAZIL COULD NOT INSIST THAT IT SHOULD. SENATOR BAKER ASKED AGAIN IF LATIN AMERICA WOULD INSIST ON THE TREATIES RUNNING THEIR TERM. SILVEIRA AGAIN TURNED THE QUESTION AROUND, SAYING IT IS AN OVERSIMPLIFICATION TO SPEAK OF LATIN AMERICA, THAT EACH COUNTRY HAS ITS OWN OUTLOOK AND NEEDS, THAT THE CARIBBEAN COUNTRIES WOULD NOT SUPPORT THE US THAT CENTRAL AMERICAN COUNTRIES MIGHT, BUT THAT BRAZIL WILL ALWAYS RECOGNIZE THE RIGHT OF THE US NOT TO REGEOTIATE IF IT FELT UNABLE TO DO SO.

11. SENATOR GARN SAID THAT HE WANTED TO GIVE AN EXAMPLE OF THE PROBLEMS HE FORESAW FOR THE TREATIES AND OF THE REASONS

FOR HIS OPPOSITION TO THEM. HE SAID HE WAS NOT WORRIED ABOUT THE RUNNING OF THE CANAL, BUT THAT HE HAD BEEN VERY IMPRESSED WITH THE ECONOMIC AND SOCIAL NEEDS OF THE PANAMANIAN PEOPLE. HE NOTED THAT MUCH OF THE ORIGINAL EQUIPMENT INSTALLED IN THE CANAL IN 1914 IS STILL BEING USED AND THAT IT MUST, OF COURSE, BE MAINTAINED. HE OBSERVED THAT IT COSTS \$65 MILLION A YEAR TO KEEP THE CANAL OPERATING, WHICH IS A GREAT DEAL OF MONEY, ESPECIALLY FOR PANAMA TAKES OVER THE CANAL, THE THEN PANAMAIAN GOVERNMENT FELT THE NEED TO DIVERT THOSE OPERATING FUNDS, OR PART OF THEM, TO OTHER USES. HE SAID THAT THE PROBLEM WAS ACCENTUATED BECAUSE OF PANAMA'S POVERTY AND THE TEMPTATION TO USE THE FUNDS FOR OTHER PURPOSES WAS CORRESPONDINGLY INCREASED.

12. THE CONVERSATION THEN TURNED TO BROADER ISSUES AFTER SENATOR BAKER REVEALED THAT THE PRESIDENT OF MEXICO HAD BEEN WILLING
CONFIDENTIAL

PAGE 07 STATE 040749

TO TALK ABOUT THE CANAL BUT THAT, AS SOON AS HE COULD, HE SWITCHED THE SUBJECT OF THEIR CONVERSATION TO NATURAL GAS AND ILLEGAL ALIENS. SILVEIRA LAUGHED AND OBSERVED THE LOPEZ PORTILLO WAS NATURALLY MORE INTERESTED IN BILATERAL PROBLEMS. CONCERNING US-BRAZIL RELATIONS SILVEIRA SAID HE THOUGHT THEY ARE IMPROVING AND STRESSED THAT, DESPITE RECENT PROBLEMS BETWEEN OUR TWO COUNTRIES, THERE HAS NEVER BEEN AN ANTI-US ATTITUDE IN BRAZIL. HE SAID THE GOVERNMENT HAS HELPED TO PREVENT THE GROWTH OF SUCH AN ATTITUDE, EXPLAINING THAT AS A DEVELOPING COUNTRY, BRAZIL HAS A "SENTIMENT OF RESISTANCE TOWARD THE US, BUT NOT A GENERAL ATTITUDE AGAINST IT. HE ADDED THAT BRAZIL CONSIDERS ISSUES IN OUR RELATIONS ON A CASE-BY-CASE BASIS, THAT IT IS LOOKING AHEAD AT LEAST 20 YEARS AND THAT IT CANNOT THINK ONLY ON A DAY-TO-DAY BASIS. HE EXPLAINED THAT ALTHOUGH BRAZIL IS STILL A VERY REGIONAL COUNTRY, IT IS OPEN TO THE WORLD AND ITS RELATIONS WITH THE UNITED STATES AND EUROPE ARE AS IMPORTANT TO IT AS ITS RELATIONS WITH LATIN AMERICA.

13. SILVEIRA REITERATED THAT OUR RELATIONS ARE IMPROVING, NOTING THAT BRAZIL TRIES TO EXPLAIN ITS POSITIONS TO THE US IN FULL FRANKNESS AND THAT THE US SHOULD UNDERSTAND THAT A COUNTRY OF A CERTAIN SIZE CAN ONLY ACCEPT THINGS TO A CERTAIN POINT. SENATOR BAKER SAID AT THIS POINT THAT HE HAD TOLD PRESIDENT GEISEL THAT THE US DOES NOT THINK OF BRAZIL AS A SMALL COUNTRY. SILVEIRA ACKNOWLEDGED THIS TO BE THE CASE, ADDING THAT SOMETIMES, HOWEVER, THE US OVEREMPHASIZES BRAZIL'S IMPORTANCE. HE SAID THAT EVEN MR. BRZEZINSKI HAD DONE THIS WHEN HE EXPLAINED WHY PRESIDENT CARTER WAS COMING HERE.

14. SENATOR BAKER ASKED WHAT ASPECTS OF US-BRAZIL RELATIONS COULD BE IMPROVED IN THE NEXT FEW YEARS. SILVEIRA CLAIMED THAT THE SYSTEM OF COOPERATION BETWEEN US WAS NOT WORKING ANY MORE, THAT PRIVATE INDIVIDUALS AND THE PRIVATE SECTOR WERE CARRYING THE BURDEN OF OUR RELATIONS AND THE "OFFICIALLY WE HAVE NO COOPERATION. WE HAVE PRESSURE RATHER THAN COOPERATION, AND THIS IS

BAD IN MY OPINION". MR JOHNSON INTERJECTED THAT THE SUB GROUPS
CONFIDENTIAL

PAGE 08 STATE 040749

UNDER THE MEMORANDUM OF UNDERSTANDING REPRESENTED AN EXAMPLE
OF OFFICIAL EFFORTS TO BROADEN CONTINUING COOPERATION. SILVEIRA
SAID THAT THAT WAS TRUE, BUT THAT IT WAS DIFFICULT TO GET THINGS DONE
THROUGH THESE GROUPS AND THAT MORE EFFORT WAS NEEDED. TO ILLUSTRATE
HIS GENERAL THESIS, HE CLAIMED THAT FORMER SPECIAL TRADE
REPRESENTATIVE FREDERICK DENT HAD TOLD HIM (APPARENTLY TOWARD
THE END OF THE FORD ADMINISTRATION) THAT IF THE REPUBLICANS
WERE RE-ELECTED THE USG WOULD NEGOTIATE AN IMPORTANT PACKAGE
WITH BRAZIL. THE CONVERSATION ENDED AT THIS POINT, WITH
SILVEIRA OBSERVING AT THE END THAT "TENACITY IS VERY
IMPORTANT."

15. COMMENT. RE PARA 3 ABOVE, CODEL'S PRIOR CONVERSATION WITH
PRESIDENT GEISEL WAS HELD EXCLUSIVELY BETWEEN THE SENATORS AND
THE PRESIDENT, THE ONLY OTHER PERSON PRESENT BEING THE PRESIDENTS,
INTERPRETER. EMB TRANSMITTING BY SEPTEL CODEL'S BRIEF
ACCOUNT OF THIS MEETING TOGETHER WITH OTHER INFORMATION ON VISIT.
JOHNSON
UNQUOTE VANCE

CONFIDENTIAL

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 sep 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DIPLOMATIC DISCUSSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE040749
Document Source: ADS
Document Unique ID: 00
Drafter: S/S-O:SGOLDSMITH
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Expiration:
Film Number: D780070-1047
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197802120/baaafbwa.tel
Line Count: 298
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Message ID: e39db5cf-c288-dd11-92da-001cc4696bcc
Office: ORIGIN H
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 07 jul 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3475652
Secure: OPEN
Status: NATIVE
Subject: CODEL BAKER-MEETING WITH BRAZILIAN FOREIGN MINISTER PANAMA CANAL TREATIES; US-BRAZIL RELATIONS
TAGS: OREP, PEPR, PBOR, US, BR, (BAKER, HOWARD E JR), (AZEREDO DA SILVEIRA, ANTONIO F)
To: USSOUTHCOM QUARRY HEIGHTS CZ
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/e39db5cf-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014